

**RAJASTHAN STATE INDUSTRIAL DEVELOPMENT AND INVESTMENT
CORPORATION LIMITED**

MINUTES OF : **Board Meeting**
VENUE : **Udyog Bhawan, Jaipur**
DATE & TIME : **6th February 2015 at 2.30 P.M.**

PRESENT:

Shri C.S. Rajan	Chairman
Dr. Ashok Singhvi	Principal Secretary Mines & Petroleum
Smt. Veenu Gupta	Managing Director
Shri Abhay Kumar	Commissioner Industries
Shri Maneesh Chauhan	Managing Director RFC

Shri D.K. Sharma, Secretary was in attendance. Shri Prakash Tekwani, Financial Advisor; Shri Lalit Kumar, Advisor (Infra); Shri Gaurav Bajad, Advisor (A&M); Dr. A.K. Gupta, CGM (Investment) and Shri M.K. Nathuramka, GM (Inv.) were also present.

LEAVE OF ABSENCE:

The Board granted leave of absence to Shri Rajeeva Swarup, Principal Secretary SSI; Shri P.S. Mehra, Principal Secretary Finance; Shri Sanjay Malhotra, Principal Secretary Energy; Shri Shikhar Agrawal, JDC and Dr. Samit Sharma, Commissioner (Inv. & NRI).

WELCOME OF DIRECTOR

At the outset, Board welcomed Shri Abhay Kumar who attended meeting of the Board of Directors for the first time, after his appointment, and expressed hope that Board will be benefited with his association.

Item 1: Confirmation of the minutes of the last meeting of the Board held on 3rd December, 2014.

The minutes of last meeting of Board held on 3rd December, 2014 were confirmed and signed by the Chairman.

Item 2: Action Taken Report on the decisions of the previous meetings of the Board held on 3rd December, 2014.

The Board noted the position brought out in the agenda note. Shri Akhil Arora, CMD, RISL and his team, and representatives of E-Connect gave a presentation before the Board. The Board appreciated the work so far done.

Item 3: Minutes of the meeting of the Infrastructure Development Committee of the Board held on 20th December 2014.

The Board noted the position.

Item 4: Minutes of the meeting of the Audit Committee of the Board held on 22nd January 2015.

The Board noted the position.

Item 5: Minutes of the meeting of the Corporate Social Responsibility (CSR) Committee of the Board held on 25th November 2014.

The Board noted the position.

Item 6: Appointment of Directors.

The Board noted the appointments of Shri Sanjay Malhotra, Principal Secretary Energy, GoR; Shri Abhay Kumar, Commissioner Industries, GoR and Shri Maneesh Chauhan, Managing Director RFC, as Directors on the Board of the Corporation, with effect from 10th December 2014, in place of Shri Alok, Shri Vinod Ajmera and Shri Madhusudan Sharma, respectively.

Item 7: Disclosure of interest by the directors.

The Board noted the interest disclosed by the Directors in their respective notices and adopted the following Resolution:

RESOLUTION:

“**RESOLVED** that the interest disclosed by the following Directors in their general notices pursuant to Section 184(1) of the Companies Act, 2013 read with the relevant rule 9(1), which were read over in the meeting, be and is hereby noted:

- | | |
|-------------------------|---|
| 1. Shri Sanjay Malhotra | Notice dated 1 st January 2015 |
| 2. Shri Abhay Kumar | Notice dated 21 st January 2015 |
| 3. Shri Maneesh Chauhan | Notice dated 22 nd December 2014 |
| 4. Dr. Samit Sharma | Notice dated 22 nd December 2014.” |

Item 8: Minutes of the meeting of the Working Committee of the Board held on 21st January 2015.

The Board noted the position.

Item 9: Constitution of an IPO Committee.

The Board discussed the agenda and accorded approval to constitute an IPO Committee of the following to exercise such powers and performs such functions

related to proposed divestment of part equity of the company which otherwise not requires approval of the Board of the Corporation and the State Government:

1. Managing Director RIICO
2. Financial Advisor
3. Secretary
4. AGM (F&A)
5. Sr. DGM (Fin. - Investment).

Item 10: Amendment in Memorandum and Articles of Association(AoA) of the Company.

The Board discussed the agenda and accorded approval for the following amendments in Memorandum of Association (MoA) and Articles of Association (AoA) of the Company, subject to the approval of the State Government and Shareholders in the general meeting. The Board also authorized the Chairman to convene the meeting of shareholders at shorter notice and decide the date & time for convening the Extra Ordinary General Meeting on receipt of approval from the State Government:

1.0 **Share Capital:** To sub-divide face value of equity share capital of the company from Rs. 1000/- (Rupees one thousand) each to Rs. 10/-(Rupees ten) only.

a) To amend Memorandum of Association ‘V’ as under:

‘The authorized share capital of the company is Rs. 235,00,00,000/- (Rupees two hundred thirty five crores) only divided into 23,50,00,000 (twenty three crore fifty lakh) equity shares of Rs.10/- (Rupees ten) each.

b) To amend Article of Association 4 as under:

‘The authorized share capital of the company is Rs. 235,00,00,000/- (Rupees two hundred thirty five crores) only divided into 23,50,00,000 (twenty three crore fifty lakh) equity shares of Rs.10/- (Rupees ten) each.

2.0 To insert following new article 115A in AoA of the company enabling it to issue Bonus Shares:

‘Article 115A Bonus Shares: Subject to provisions of Section 63 of The Companies Act 2013, the company may issue fully paid-up bonus shares to its members’.

3.0 To insert a new general article 141, as follows:

‘Article 141 General: The existing provisions/sections/tables/rules, in reference to the erstwhile The Companies Act 1956 and rules framed there under, wherever applicable and appearing in these Memorandum and Articles of Association of the company be read/stand replaced with corresponding provisions/sections/tables/rules of The Companies Act 2013 and rules framed there under, consequent upon enactment of The Companies Act 2013.’

4.0 **Women Director:** To insert a new article 76 (vii), as follows:

‘Article 76 (vii) Women Director: Subject to the provisions of the Act, the State Government shall have powers to appoint and remove, from time to time, a Women Director at its absolute discretion.’

4.1 **Independent Director:** To insert a new article 76 (viii), as follows:

‘Article 76 (viii) Independent Director: Subject to the provisions of the Act, the Board will select the Independent Directors and recommend to the shareholders for their appointment.’

4.2 **Chairman & Managing Director (CMD), Chairman:** To insert new articles 77 (ix) & (x), as follows:

‘Article 77(ix) Chairman & Managing Director (CMD): A Director may be appointed as Chairman & Managing Director (CMD).’

‘Article 77(x) Chairman: The State Government may from time to time appoint and remove one of the directors as Chairman of the Board of Directors, for such terms and on such remuneration, either by way of salary or otherwise, subject to provisions of the Act, as he may think fit.’

4.3 **Sitting fee :** To insert new Article 77(xi), as follows:

‘Article 77(xi) Sitting fee: Subject to the provisions of the Act, the Board will decide, from time to time, the sitting fee, lodging, boarding and out of pocket expenses to be paid to Directors for attending meetings of Board or its committees.’

4.4 To amend existing article 77(i), 77(ii) and 94, as follows:

‘Article 77(i) Appointment and remuneration of Directors: Except as provided in Article 77(vi) and Article 82 hereunder, and subject to provisions of the Act, the Directors (including the Chairman but excluding MD, whole time director, independent directors) shall be appointed by the State Government and shall be paid such salary and/or allowance and on such terms & conditions as the State Government may decide.’

‘Article 77(ii) – Retirement of Directors : At every annual general meeting of the Company one-third of the number of Directors appointed by the State Government, other than those appointed to any office under Article 77 (x) & 94 hereof shall retire from office. If the number of such Director is only one, he shall not retire. If the number of such Directors is an odd number, the majority of them shall remain and only the minority will retire from office. For example if there are five Directors of that category, three will remain in office and two will retire.’

The retirement will be according to seniority, the senior most retiring first to be followed by others who are next to the senior, provided however that if there are Directors who have the same seniority, the question as to who among them will retire will be decided by lots. The Director appointed under Article 77 (x) & 94 shall retire on his ceasing to hold the office thereof. Retiring Directors shall be eligible for reappointment.'

'Article 94 Managing Director or Whole Time Director: Subject to provisions of 196(4) of the act, the Managing Director and Whole Time Director (i.e. Executive Director) shall be appointed, removed and their vacancy may be filled-up, and their terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by resolution at next general meeting.'

Item 11: Financial Statement for the half year ended on 30th Sep. 2014.

The Board noted that Audit Committee has reviewed half yearly un-audited financial statement in its meeting held on 22nd January 2015. The Board took on record un-audited financial statement for the six months ended on 30th September, 2014.

Item 12: Ex-post-facto approval in respect of travel by air by officers to undertake study of Land Disposal Rules/Policies followed by SIDCS of Gujarat and Maharashtra States.

The Board discussed the agenda and accorded ex-post-facto approval in case of the following officers of the Corporation to travel by Air to and fro Jaipur-Ahmedabad and Jaipur-Mumbai in the month of January 2015 and to hire Car Taxi Services, to undertake study of Land Disposal Rules/Policies followed by SIDCs of Gujarat and Maharashtra States:

S.No.	Name of Officers	Designation
1.	Shri C.B. James	Regional Manager(Technical)
2.	Shri Umesh Bhardwaj	Manager (Finance)
3.	Shri S.K. Gupta	Dy. Manager (Finance)
4.	Shri Ajay Gupta	Sr. Legal Officer

Item 13: Allocation of Funds for Corporate Social Responsibility - Delegation of Power.

The Board discussed the agenda and accorded approval for the following:

1. To authorize the CSR Committee to consider and approve allocation of funds from out of the Annual CSR Budget of the Corporation to any project/programme,

within the framework of RIICO CSR Policy. All such projects or programmes allocated funds shall be put to the Board of Directors for information.

2. To authorize the Managing Director to consider and approve allocation of funds from out of the Annual CSR Budget of the Corporation to any project/programme, within the framework of RIICO CSR Policy, provided that such allocation is Rs. 50.00 lacs or less, in each project/programme. All such projects or programmes, allocated funds shall be put up for information of the CSR Committee and the Board of Directors.
3. A project/programme entailing allocation of more than 50 per cent of the Annual CSR Budget will be approved by the Board of Directors upon recommendations of the CSR Committee.
4. Ex-post-facto approval for allocation of funds from the Annual CSR Budget of the Corporation for 2014-15 to three projects viz. Bhagwan Mahaveer Viklang Sahayata Samiti (Rs. 50 lac), Institute of Leadership Development (Rs.88.29 lac) and SOS Children's Villages of India (Rs.7.00 lac).

Item 14: Proposal for sanction of term loan assistance of Rs. 4000.00 lacs to Gorbandh Fort and Palace Pvt. Ltd. Jaipur under "Credit Scheme for Builders/Commercial Complexes/ Residential Complexes" for purchase of land for Residential Complex.

The Board discussed the agenda in detail and directed to negotiate with the promoters for increasing security of the loan, whether in the form of collateral or otherwise.

Item 15: Scheme for financing of Industrial Land in RIICO Industrial Areas.

The Board discussed the agenda and approved the Scheme for financing of Industrial Land in RIICO Industrial Areas, on the terms and conditions as mentioned in the agenda note.

Item 16: Case of Divya Moti Hotels & Resort (P) Ltd., Jaipur.

Due to paucity of time, the consideration of agenda item was deferred.

Item 17: Amendment in RIICO Employees Services (Revised Pay Scales) Rules, 2008.

The Board discussed the agenda and accorded approval to amend schedule-III (Amount of Remuneration for a Probationer Trainee) of Rule 19 of RIICO Employees Services (Revised Pay Scales) Rules, 2008, with effect from 1.9.2014, as under, analogous to the amendments made by State Government in Rajasthan Civil Services (Revised Pay) Rules, 2008:

Pay Band	Running Pay Band	GP No.	Grade Pay	Amount of fixed remuneration per month before 01.09.2014	Amount of remuneration per month w.e.f. 01.09.2014
1	2	3	4	5	6
PB-1	5200-20200	2	1700	5400	6060
PB-1	5200-20200	3	1750	5500	6360
PB-1	5200-20200	4	1900	6100	6720
PB-1	5200-20200	5	2000	6400	7080
PB-1	5200-20200	9	2400	7900	8100
PB-1	5200-20200	10	2800	8950	10740
PB-2	9300-34800	11	3600	11100	12000
PB-2	9300-34800	12	4200	13050	13320
PB-2	9300-34800	14	4800	15000	15660
PB-3	15600-39100	15	5400	16800	20160
PB-3	15600-39100	16	6000	18200	21840
PB-3	15600-39100	17	6600	20200	24240
PB-3	15600-39100	18	6800	21300	25560
PB-3	15600-39100	19	7200	22600	27120
PB-3	15600-39100	20	7600	23950	28740
PB-3	15600-39100	21	8200	26650	31980
PB-4	37400-67000	22	8700	36900	44280
PB-4	37400-67000	23	8900	38900	46680

Item 18: Hiring consultancy services of retired personnel.

The Board discussed the agenda and authorized the Managing Director of the Corporation for fixing the remuneration for hiring of services of retired Patwari/Inspector Land (Revenue).

Item 19: Revamping the Organisation.

The Board discussed the recommendations of the consultant in detail and found that lot of them, specifically related to autonomy of the Corporation, organizational restructuring, uniform unit office structure etc., are neither practical nor useful for the organization. Due to this, there is no need for submission of recommendations by the consultant for improvements post implementation of the new system. Accordingly, balance payment need not be made. The Board also approved re-designation of various posts to facilitate fresh recruitment of about 103 personnel, to ensure smooth day-to-day working of the Corporation.

The meeting concluded with a vote of thanks to the Chair.